

Sharing Bicycles and Sharing world: Chinese's sharing economy

Wanglin opens the bicycle sharing app whose electronic map tells her there are five bikes parking downstairs. Soon, five bikes arranged neatly comes into view. Wanglin scans the QR code under the seat expertly, and receives the right to use the bike. She recalls when she was in her early age, China was called ' the bicycle kingdom'. At that time streets were full of bicycles. However, in her memory bicycles disappeared for a period of time on the street after the development of alternative transportation, but recently with the help bicycle sharing they reappear and spread rapidly.



Popular bicycle sharing service

Bicycle sharing service entered Chinese market at the end of 2016, and developed promptly during 2017. Now it receives more and more attention. In the Chinese College entrance examination ended lately, it even chosen as one of the composition topics. Furthermore, bicycle sharing receives a public praise. According to the feedback of our research, 71% of interviewees enjoyed this service. The salaried use it as a way of transportation bring them back and forth their home and working places, and the elite classes mainly use it as a kind of instrument for exercising. Except one fifty-year-old male who obstructed by the age, rest of people who haven't using this service are willing to accept this service in the future. Furthermore, all of the interviewees think bicycle sharing industry as a promising industry.

Why it is popular

When asked why bicycle sharing service is promising, people's ideas can be summarized by two words, convenience and economy.



To some extent, the resources are limited and people's wants are unlimited, when limited resources meet unlimited wants scarcity appears, and rational distribution is required to satisfy people's needs and wants. The process of sharing, reuses the idle resources in the society, therefore maximize the utilization of resources. The need for the bicycle is limited. When people buy a bicycle, the time they actually spend on them is little, for most of the time they are parked in the parking lot. When Wanglin was small, every family has an old-fashioned bike. Those bikes have two wheels with a diameter of twenty-eight inches, and were exceedingly heavy and large. After the round trip between her home and school, the bike laid quietly in her living room. The room seems to be even more narrow after occupied by a huge bike, she even remove her desk to park the bicycle. 'things are changed now' she said. Instead of buying a bicycle, she choose to use the bicycle sharing service. One-hour using only cost her one Yuan, saving a lot of money form buying a bicycle and parking it. Now she only use bike only when she needs.

On the other hand, resource distribution is a heated topic that has always been problematic. Bicycle sharing is not the only method developed to cope with this issue. But what made it stand out from the crowd? The Chinese public bicycle service contracted by the private was the predecessor of the bicycle sharing and before that a

same service was also ran by the government. Dated back to 2007, Chinese government has already concerned about the increasing traffic congestion and environment problems along with the development of economy. Therefore, in August 2007, it began to push the public bicycle service started from Beijing. The service required citizens using IC cards to rent the bikes from fixed stations, and after using it return it back to the same places. However, the result was pessimistic. The government generalized this service to more than one hundred cities in China, but there were less than ten cities who achieve breakeven. What is the problem of



the public bicycle service lead by the government? The main reason is that it was hard to make profit. Establishing each station has cost 3000 to 10000 Yuan, and the settled stations restrict the number of consumers making it difficult to obtain income. In addition, the lack of preservation technology, lack of manage standard, and government focus on political accomplishment but not making profit also speed up the failure of government public bicycle service. Later on, this service began to be contracted by the private company, in the year of 2010 Yongan company was established. Up to 2016, it has over one hundred branch offices all over China. However, it's also restricted by the immobilized station. Take Wanglin as an example, there is only one public bicycle station in the Chengdu Jinniu district, twenty-minutes walk from where she lives. Wanglin said she never used this service since it not only required her to find a parking lot herself, but also cost her forty minutes walk per day to get a bike and returns it back.

Realizing the disadvantage of station, people began to explore new way to abandon the restrict, therefore, bicycle sharing appears. The disappearance of station reduces the cost promptly. Among the main bicycle sharing brands, the most highest cost for each bike is 3000 Yuan which is soon reduced to 500 Yuan, and the lowest

cost for each bike is only 200 Yuan. Furthermore, the flexible parking places increase the potential number of consumers. All those factors make sharing bicycle a more promising industry.

What needs improvement

As a new industry, bicycle sharing has appeared only half a year, there is also many aspects need improvement. The interviewee's anxiety can be summarized as follows. First, parking places needing more arrangement to solve the disorderly parking, and eliminate the resultant safety hazard. Second, seasonable repair is needed. The APP can provide reward for the report of error. Third, computing platform should be unified. Forth, for some particular places, more bikes are required.

Seeing the bigger picture

Begin with sharing bicycle, various type of sharing economy has become a trend. According to the *2016 Chinese Economy Development Report* published by the China e-Business Research Center, Chinese sharing economy market has reached 394.5 million RMB at a growth rate of 76.4%. it has been predicted that, Chinese sharing economy will keep a growth rate of 40%, and occupy more than 10% of the total GDP of China in 2020.

The research also shows public enthusiasm to the sharing economy, 70% of interviewers give their own perspective to the type of sharing objects they want, ranging from bookstore to credit card.

Why sharing economy develops so quickly in China? Except public enthusiasm , researchers in Renmin University of China, Zhangjingwe believes that this new type of economy relies on the information era and Chinese internet economy. ‘ in the era of

big data, China has world's largest population of netizen, also has the support of policy. The development and popularization of e-commerce and mobile payment push new type of economy intervenes citizen's life deeply. And what is more, sharing economy has already formed the myth of business and the legend of wealth, provided a positive model for the public startup.